

FINANCIAL SECRETARY ON NEW INCOME TAX BILL

(Continued from Page 1)

Committee in regard to the standard rate, and the figure of ten per cent has now been inserted in the Bill. They have not been able to accept the recommendation in regard to the postponement of the tax but they did refer the Bill to a further Committee for detailed examination. That Committee, which was under the chairmanship of the Honourable Mr. Arthur Moore, was particularly well qualified for the task as it numbered among its members bankers, lawyers and chartered accountants.

The Committee submitted a very valuable report, a copy of which has been laid on the table this afternoon. All the recommendations made by the Committee have been accepted by Government, but before dealing with these modifications of the original draft, I think it might be well to outline briefly the main features of the Bill itself.

"When the Bill was being drafted in London an endeavour was made to incorporate some of the more advantageous features of a normal form of income tax without departing too much from the underlying principles of the 1941 Ordinance. Above all, the aim was simplicity but as in the 1941 Ordinance, four distinct taxes a Property tax, Salaries tax, Profits tax and Interest tax have been provided for and each is dealt with in a separate chapter of the Bill.

"The 1941 Ordinance differed essentially from normal income tax legislation in that the basis of tax was the source of income instead of the individual. Only in the case of the Salaries tax was there provision for individual assessment. In the case of the other taxes a somewhat rough and ready effort was made by means of rebates and reduced rates to apply some-

thing equivalent to personal allowances without the disclosure of personal interests. In view of the infinite variety of personal interests and circumstances, such a system cannot in practice work out equitably and is not suitable for inclusion in permanent legislation.

Graded Scale

"In the present Bill provision has been made in the case of the Property tax, Profits tax and Interest tax for the application of the standard rate, but under Chapter VII any person may elect for personal assessment and so obtain the benefit of the various personal allowances. No detailed provision was included in the 1941 Ordinance for depreciation and none at all for the carrying forward of losses. These matters have been provided for in Chapter VI and Section 20 of the present Bill.

In the case of the Salaries tax a graduated scale of tax is provided for under Section 14, the rates on chargeable income varying from a quarter of the standard rate by steps of \$5,000 to twice the standard rate.

"Provision for deductions to be made in respect of life insurance premiums and Widows and Orphans Pension payments has been made under Section 43 (d) of the new Bill. Such deductions were not provided for in the 1941 Ordinance. No provision is made for any form of surtax as this is impracticable where there is no universal personal assessment.

"These then were some of the principal features of the Bill as originally drafted. The Committee under the chairmanship of the Honourable Mr. Arthur Moore to which it was referred for consideration in detail has, as Honourable Members are already aware, made a number of useful recommendations and I should like to say how much Government is indebted to members of that Committee and to the Chairman in particular for the very valuable work which they have put in. All their recommendations have been acceptable to Government and are incorporated in the Bill now before the House. I propose to refer briefly to the most important changes which have been made as a result of the Committee's report.

Local Income

"It was originally proposed to tax income arising in, derived from, or received in the Colony. The Committee has recommended that tax should be restricted to income arising in or derived from the Colony. This is the same basis of taxation as in 1941 and on the whole the amendment proposed by the Committee appears to be justifiable. This Colony differs from the majority of colonial dependencies in that a number of head offices of important businesses are established here.

"Profits resulting from business activities in other countries must pass through the books of the head office and if such profits were taxable here all sorts of complicated claims in respect of double taxation would arise. The Committee felt that this might tend to discourage firms from establishing their head offices here and that Hong Kong's position as a financial and commercial centre might be adversely affected.

"The normal practice is to assess tax for the current year on the actual income of the previous year and the Bill was originally drafted on these lines. The Committee has recommended that taxpayers should be given the option of having their assessment reduced to the actual earnings or profits for the year 1947/48. Such a concession would of course only apply to this particular year and the previous year basis would be reverted to in the future. The effect therefore would be that where a taxpayer opted to take the profits for 1947/48 as the basis of assessment instead of those of the previous year, the 1947/48 profits would in practice form the basis of assessment for two years running.

War Losses

"There are always objections to retrospective taxation and, in accepting the recommendation of the Committee, Government was influenced by the fact that the profits earned in 1946/47 have been used to a considerable extent in making good losses arising from the war. There was a proposal that some relief should be given in the case of such losses.

"The Committee also considered representations for the grant of allowances to children beyond the fourth and recommended an allowance of \$500 for each subsequent child provided that the total allowance in respect of children does not exceed \$7,000.

regard to the basis of assessment goes some way towards meeting the question of war losses.

"Before the Bill was referred to the Committee, Government had received certain representations from property owners who felt that some concession should be granted to them in respect of the Property tax in view of the fact that owing to rent restriction legislation they had not been able to recoup themselves in regard to their war losses in the same way as members of the business community.

"The Committee was therefore particularly requested to consider whether the tax, if imposed at the full rate, would cause hardship. They came to the conclusion that some degree of hardship would be caused and they recommended that only half the standard rate should be charged during such time as rents continue to be restricted to December 1941 levels. The Committee also expressed the view that the allowance for repairs should be increased from ten to twenty per cent.

Pensions and Gratuities

"As a result of their consideration of the Salaries tax section of the Bill, the Committee recommended that the scope of the tax should be widened to cover annuities as otherwise individuals would be able to take out annuities for large sums and to enjoy the revenue therefrom tax free. Certain exemptions which were notified just before the Bill was originally published but which were not corrected then in order to avoid delays in printing have now been provided for. These include the exemption from tax of wound and disability pensions and war gratuities paid to members of His Majesty's forces. This is the normal practice.

"Provision has also been made for the exemption from tax of the emoluments of members of His Majesty's forces. If such an exemption were not included, much unnecessary work would result in the way of claims in respect of double taxation.

"As I explained earlier, the Salaries tax is on a graduated scale rising to double the standard rate. Now, a member of a business firm who is paid partly in the form of salary but principally by participating in the profits would naturally not elect to be personally assessed. He could not therefore be charged at a higher rate than ten per cent on his whole income. It would not be fair if a person whose emoluments consisted solely of salary had to pay tax at a higher rate, and in order that there may be no inequity the Committee has recommended the insertion of a proviso to the effect that in no case shall Salaries and Annuities tax exceed the amount which would have been charged had the standard rate been charged on the whole income before the deduction of any allowances.

Allowances

"In considering the question of personal allowances, the Committee gave special consideration both to the representations from the Chinese community and to the fact that a very large section of the European population is compelled owing to lack of alternative accommodation to reside in hotels.

"The absolute minimum living costs of this very considerable section of the community are very high, and it seemed only reasonable therefore that this factor should be taken into consideration in determining personal allowances.

"In these circumstances the Committee recommended that the personal allowance should be increased to \$7,000, while that for a wife should be increased to \$5,000. In recommending these increases the Committee felt that they were also meeting to a large extent the representations which had been received from the Chinese community in regard to the inclusion of a dependants' allowance.

"This presents peculiar difficulties in view of the obligation imposed by Chinese law and tradition for the maintenance of dependants in addition to children, but it was felt that as the standard rate of tax is very moderate and as the personal allowances had been fixed on an artificially high level, dictated by local housing conditions, no real hardship would result if no specific relief were given in respect of dependants other than children.

"The Committee also considered representations for the grant of allowances to children beyond the fourth and recommended an allowance of \$500 for each subsequent child provided that the total allowance in respect of children does not exceed \$7,000.

"Section 20, providing for the carrying forward of losses, was also considered and the Committee recommended that the standard rate should be applied to the loss carried forward.

Coming Events

April 25—Police Res. Club opening 5.30 p.m.
April 26—Fifth Extra Race Meeting.
April 26—K.C.C. Play: "A Worm's Eye View."
April 26—"Star" Ferry Co., Ltd., annual meeting, noon.
April 28—Police Res. Club meeting, 5.30 p.m.
May 2—C.B.A. Reunion Dance, Peninsula Hotel.
May 5—H.K. Singers, first rehearsal of "The Messiah," Cathedral Hall, 5.30 p.m.
May 7—Green Is. Cement Co., Ltd. annual and extraordinary meetings, Exchange Bldg., noon.
May 7—Dinner to Sir Mark and Lady Young, H.K. Hotel, 8 p.m.
May 9—Canton Ins. Office, Ltd., annual meeting, noon.
May 17—China Emporium extraordinary meeting, 3 p.m.
May 31—China Emporium annual meeting, 3 p.m.

colonial income tax legislation in order to safeguard the revenue in colonies whose whole economic structure is dependent on one agricultural crop or the market for some particular mineral.

"There is no such limitation in the United Kingdom and as Hong Kong's economy does not depend on the market for any one commodity, the Committee recommended that no limitation on the extent to which losses could be set off should be imposed in this Colony either.

"A number of petitions against the enactment of this Bill have been received by Government. These have been carefully considered by Your Excellency and your advisers. They have also been circulated to members of Executive Council. Some of the points raised have been met by amendments now incorporated in the Bill.

"Others, such as the rather widespread impression that Government will compel traders to keep their accounts in European form, are the results of misunderstanding. The new Department of Inland Revenue will have officers capable of investigating and assessing Chinese accounts, and there is no intention that any should be exerted to have accounts kept in European style.

"Then it has been suggested that the imposition of income tax will drive capital away from the Colony and prevent new capital coming in. I doubt if any of those who signed these petitions would seriously consider the transfer of their capital to any neighbouring territory at the present time.

Some Examples

"There is also, I fancy, some misconception in regard to the exact effects of the new Bill, and, before concluding, it might be desirable for me to quote a few examples of actual tax payable by families of different sizes in the various income groups.

"A single man pays no tax if his income is under \$7,000, and a married man with no children would not pay unless his income exceeded \$12,000. A single man with an income of \$10,000 would pay \$75 tax and if his income were \$18,000 he would pay \$325. A married man with an income of \$20,000 and no children would pay \$275. If he had two children he would pay \$100 and if he had 4 children he would only pay \$50. "With an income of \$30,000 a single man would pay \$1,825, a married man with no children would pay \$1,050 while with two children and four children the amounts payable would be \$675 and \$525 respectively.

"These figures show that the effects of the new measure are by no means as onerous as many of the critics have represented."

The motion was seconded by the Hon. Colonial Secretary.

H.E.'s Speech

His Excellency the Governor then said:—

"It is natural that the Bill which is now before the Council should have aroused widespread interest. It is also perhaps, not unnatural that it should have given rise to a very considerable volume of opposition and to a large number of protests."

"Now, I am not going to suggest for a moment that this opposition to the proposals, which are now before us and these protests against the passing into law of the Inland Revenue Bill, are simply due to the ordinary human beings' dislike of taxation in any form. That is quite clearly not the case. I have not found, and I do not think there is to be found in this Colony, any reasonable objection on the part of any group or of individuals to paying a fair share of their income in taxes. What is the cause of the trouble? It is the fact that the proposals are new and that they are being introduced without any previous consultation with the public."

Readers' Letters Rents Bill To Be Examined

Anti-T.B.

Sir,—Enclosed herewith please receive a cheque of \$250.00 for the H.K. Anti-T.B. Association Building Fund in appreciation of Dr. Selwyn-Clarke's good work in Hong Kong.

A COMMON MAN.

(The Anti-Tuberculosis Association's work was one of Dr. Selwyn-Clarke's keenest interests, and the building of a Centre and Clinic was among the things he was most anxious to see completed. Our readers' gesture in tribute to Dr. Selwyn-Clarke takes a form which will give him the greatest pleasure, and we shall be happy to receive further donations.—Ed. "China Mail.")

The D.M.S.

Sir,—It is seldom in one's life experience to see the realisation of that wonderful saying "Honour to whom honour is due." Rewards seldom go to the really deserving. It is more often we hear of those who give sweet lip service and carry big fat legs being rewarded and honoured. And it is more frequent that we see those who drain the blood and shorten the lives of a great number of their unfortunate fellowmen—the honest underdogs—either by exploitation or collaboration with super-races and make millions out of which they throw away a few thousand to save a few lives and to earn the grand title of Philanthropist.

The recognition by the Labour Government of Dr. Selwyn-Clarke's great service to humanity and his well-deserved promotion is therefore most heartening to those who have the interest of the common man at heart and those who work for the good of mankind.

Hong Kong, especially its common man, will miss him very badly but is hopeful that as the attitude of the higher up is now changing for the better he will be returned to us as our own Governor.

Those who know Dr. Selwyn-Clarke and his noble mission in life know that he is a big man, a big man in the following sense:—

A man's no bigger than the way he treats his fellow man.

He treats his fellow man.

Since time itself began.

He's measured not by titles or creed.

High-sounding though they be, Nor by the gold that's put aside.

Nor by his sanctity.

He's measured not by social rank.

When character's the test; Nor by his earthly pomp or show.

Displaying wealth possessed.

He's measured by his justice, right.

His fairness at his play.

His squareness in all dealings made.

His honest, upright way.

These are his measures, ever near.

To serve him when they can, For man's no bigger than the way.

He treats his fellow man.

We are proud of the President of the Anti-T.B. Association and forever grateful for his very valuable services rendered and in bidding him farewell, may we also wish him "keep up the good fight and many many more successes to come."

ANTI-T.B.

Bridge Argument

Sir,—In your Bridge column for Monday, I think that the interesting theory given about averages is clearly wrong. The position is that East held Q96, West 4 only, in Clubs, at the start; North has taken one trick with the King and leads a small Club on which East puts the 10. North now considers whether to play Dummy's Ace or 10. The game has gone, West now holds six cards and East five, and the theory given is that since the Queen of Clubs is equally likely to be any one of these cards, it is rather more likely to be with West, the probability in fact is 6/11. Therefore the ace ought to be played though in this case it means losing a trick.

It is clear, surely, that North might have taken his Ace earlier, earlier, or later in the game, and if neither opponent makes a club this will not affect the calculation for the club suit. It will only affect the figure for the other suits. The Queen of Clubs is equally likely to be any one of these cards, it is rather more likely to be with West, the probability in fact is 6/11. Therefore the ace ought to be played though in this case it means losing a trick.

been selected to stay behind. In particular, North knows that if East holds Queen and two more, as he does, then he will have kept the Queen to the third round. But the play would have been the same no far if West had held the Q 8 and East only 9 6. North already knows that these two are the only possible arrangements for clubs, and any one arrangement is as likely as any other. Neither opponent bid. North has therefore no grounds for choosing at all; there is an even chance that either of them holds the Queen.

It might however be argued that an even distribution of the four clubs between East and West is more likely than three to East and one to West. The chance of an even distribution is 3/8, of four on one side 1/8, and of three on one side 1/2, but this refers to either side and the chance of three on the East side is therefore 1/4. These figures of course are not by writing down all the possible alternatives, of which there happen to be eight, and then assuming that each unique arrangement is as likely as any other. (There on one side is not a unique arrangement because it can happen in four different ways; each of the four cards may be the singleton). But at the stage of the game we are to examine here all the possible unique arrangements have been excluded except two. They are E. Q 6, W. 8 and E. 9 6, W. 8 Q. And these two being unique arrangements must be equally likely; otherwise all the calculations about the probability of equal distribution and so on fall to the ground. I therefore can't see any way out of the conclusion that North has no grounds for choosing at all. W. E.

Health Week

The following is an extract from a letter to the Government Public Relations Officer from the Acting Director of Health Services:—

"Dear Sir,—May I ask you to convey, on my behalf and on behalf of the Health Department, our appreciation and thanks to the local press for their very kind co-operation in publishing our propaganda during Health Week and for the very helpful editorials which appeared from time to time in support of our effort? It has been a great encouragement to the Health Department, to have the support and cooperation of the press in its publicity work and in its efforts to improve conditions in the town. "We look forward to making greater use of the services of the press in future, and deeply appreciate what they have done for us in the past."

"Y" CAMPAIGN

The Chinese Y.M.C.A. campaign for members and contributions is being conducted as usual this year. The amount sought is \$100,000, to be used for the programme of activities, community service, repair of Kowloon Branch, and the reconstruction of Lai Chi Kok bathing pavilion. The Campaign will commence on April 29 at 7.30 p.m. in the Association Auditorium.

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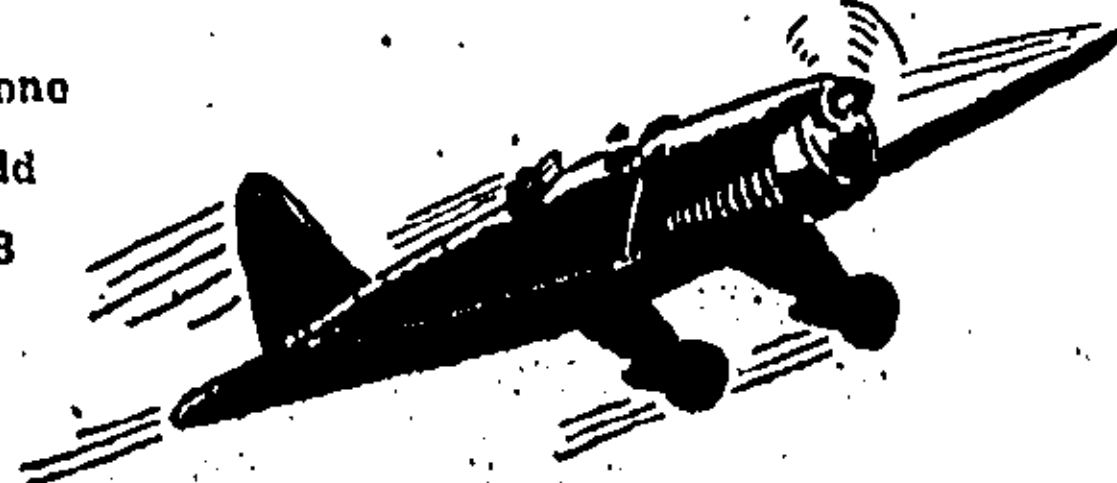
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MORE BUDGET CRITICISMS

Mr. Dalton Hints At A Reduction In Income Tax Next Year--Maybe

Sixpence Reduction "Impossible" Now

London, Apr. 23. Mr. Hugh Dalton, Chancellor of the Exchequer, intimated in the debate on the budget in the House of Commons tonight that the standard rate of income tax at nine shillings in the pound this year would probably be reduced next year.

A resolution on income tax was approved by the House after Mr. Dalton, against strong Conservative opposition, defended his decision to give income tax relief this year only by increasing the child allowances and the tax-free allowance on earned income.

Labour Government Criticised

London, Apr. 24. Labour Members of Parliament bitterly attacked the Labour Government today for leaving them holding the bag when the Cabinet reduced the conscription period from 18 to 12 months.

The showdown came during a private meeting of the Parliamentary Labour Party in the House of Commons, attended by the Prime Minister, Mr. Attlee, and other Cabinet Ministers.

The "Evening News" says a Government whip led the attack on Government for reducing the conscription period without warning, after asking Labour MPs to tell their constituents that it would be impossible to train conscripts in less than 18 months.

Members directed their criticism principally at the Defence Minister, Mr. A. V. Alexander, who had been adamant against any reduction during the conscription debate on the 18 months issue.

Mr. Attlee replied that Government, after a new survey, had decided that a shorter period could be instituted without affecting the needs of the armed service.

He appealed for 10 per cent Party support when the 12-month amendment comes before the House, probably next week. Seventy-two Labourites voted against Government on the second reading of the bill on April 1. At that time the bill specified that conscripts should serve 18 months.—United Press.

APPEAL REJECTED

Herford, Apr. 23. The Allied Control Commission Appeal Court today rejected the appeal by two Russians sentenced to death at Duesseldorf for the murder of a German.

The Russians were living in displaced persons' camp, posing as Poles at the time of the crime. Their British counsel contended that as former Russian prisoners of war they were still subject to Russian military law, but the court ruled that they were deserters, subject to the jurisdiction of the Central Commission court in respect of the crimes committed in the British Zone.—Reuter.

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NUNS TOLD TO SWING IT!

Seranton, Pa., Apr. 23. Six hundred nuns were told they should include popular music in teaching at Catholic schools "since much of it is the folk music of the nation." The Rev. Thomas J. Quigley, superintendent of Catholic schools in Pittsburgh, advised the nuns, at the first biennial conference of the Pennsylvania Unit of the National Catholic Music Educators Association, not to ignore or denounce popular music.—United Press.

STENCH BOMBS GREET OPERA SINGER

Philadelphia, Apr. 23. Stench bombs, boos and fisticuffs greeted the appearance of Norwegian soprano Kirsten Flagstad in Philadelphia's staid Academy of Music today.

The demonstration inside the theatre by a handful of hecklers threw the concert into tumult after several hundred pickets and a crowd of 5,000 gathered outside.

Two Groups

"People with large incomes fall definitely into two groups. They either derive their incomes almost totally from earnings, or almost totally from investments, not from a fair share of both."

Mr. Dalton emphasised that "nobody at all" actually paid an effective rate of income tax at 19/6 on his whole income.

Conservative members, Ralph Aschton, Roland Jerns and Colonel Alan Dower argued that the Government was penalizing the higher earning professional man, whose business enterprise was being stifled by lack of incentive.

Energy Wasted?

Colonel Dower said that more and more energy was being wasted by all sections of the community striving to add up their expenses to save an extra sixpence on their income tax.

Conservative Rupert Boothby, advocating a differentiation at the higher as well as the lower rate of income tax, declared that there was no reason why men who had the energy and initiative to earn £1,000 a year should be taxed at the same rate of a man who happened to inherit a fortune.

A Labour Member, Mr. J. A. Sparks, suggested: "We are evolving a new system of society in which this money incentive is going to take a very backward place."—Reuter.

Of war they were still subject to Russian military law, but the court ruled that they were deserters, subject to the jurisdiction of the Central Commission court in respect of the crimes committed in the British Zone.—Reuter.

Londoners Were Late At Work

London, Apr. 23. Three railway accidents which blocked the London suburban lines delayed scores of thousands of Londoners on their way to work today.

On the District Line, a derailment at Ravenscourt Park cut the electric cables and put 7 1/2 miles of track out of action.

On the Metropolitan, a collision at North Harrow stopped all trains between Plinney and Harrow-on-the-Hill for nine hours.

On the London, Midland and Scottish line, the Watford-Euston trains had to be stopped at Chalk Farm when a locomotive was derailed at Euston, fouling points on the electric line.

The accident on the District Line put thirteen stations on that line out of action for many hours.

side to protest the appearance of the Wagnerian singers.

In all, nine hecklers were thrown out.

There was a brief bout of fisticuffs featured by shouts of "Communist" and "Pacifist" from opposing sides.—United Press.

Winnie Lays Out In All Directions

Woodford, Essex, Apr. 24.

Accusations that the Labour Government is evidently casting away "the mighty Indian Empire" were made last night by Mr. Winston Churchill, Britain's war-time Prime Minister, when speaking at his constituency here.

Palestine, he asserted, is of far less importance to Britain than India, but there are four times as many troops in Palestine as in India. Britain is fighting to give Palestine to the Arabs, he added.

There has been a decline, Mr. Churchill said he is shocked to see with which Great Britain is held by the United States and Russia.

"The Government is always ready to scuttle from any difficulty and to run away from anything that looks large and uppears fierce, and it has evidently cast away our mighty Indian Empire," he said.

"When we look at the position in Palestine, we see a different process at work in the minds of the Government. There we have to go on fighting at all costs. There are four times as many troops in Palestine as in India."

"We must carry on this squalid war of terrorism. We are fighting the Jews in order to give Palestine to the Arabs. We have worked safely and done our best in Palestine, but it is not a twentieth part of the importance of India to us, and is an immense source of expense and worry and is bringing upon us a great deal of disapprobation from many countries throughout the world by our maladministration of the whole problem."

Mr. Churchill attacked the Government's decision to reduce compulsory national service from eighteen months to twelve months. Commenting on the domestic situation, he said: "The nation today is divided."

Cotton Exchange

Mr. Churchill also attacked Sir Stafford Cripps, President of the Board of Trade, for being responsible for the Bill "which was passed through the House of Commons abolishing the Liverpool Cotton Exchange."

Mr. Churchill described the Exchange as of great value to the cotton trade of Lancashire, and said that it earned every year at least £1,000,000, mostly in hard currency in foreign exchange.

Recalling that while he was in the United States he used his influence to facilitate the Labour Government obtaining a loan, Mr.

Long-Range Housing Bill

Washington, Apr. 23.

The Senate Banking Committee, by a seven to six vote, has approved the Taft-Ellender-Wagner longrange housing bill.

The measure will provide Federal aid for slum clearance and redevelopment and urban and rural public housing at an estimated cost to the Government of US\$7,500,000,000 over a 45-year period.

It is designed to encourage the construction of 15,000,000 new farm and city homes by 1958.—United Press.

Lords' Debate On Palestine

London, Apr. 23. The Palestine situation was discussed today in the House of Lords, where Viscount Hall, speaking for the Government, said that terrorism in Palestine was on a minor scale during the war years and few casualties were caused.

Casualties since August 1, 1945, however, were: Killed—68 military, 30 police and 15 civilians. Wounded (including assaulted)—191 military, 49 police and 9 civilians. These figures, said Viscount Hall, did not include casualties in the recent Palestine railway disaster caused by a terrorist mine, of which full reports had not yet been received.

During the same period, 168 Jews were convicted for terrorist activities, 28 sentenced to death and four executed, while 22 persons had their sentences reduced to life imprisonment and two persons had recently committed suicide while lying under sentence of death.

In clashes with the police, 33 terrorists were known to have been killed and at least 29 wounded.

Asked how the two men who had committed suicide had taken explosives into their cells, Viscount Hall replied that the explosives were taken to the cells inside oranges. The inside of the oranges had been taken out and explosives substituted.

Opening the debate in the House of Lords, Lord Altrincham, former Minister Resident in the Middle East, described the conditions of illegal immigration traffic as "inhuman, disgusting and disgraceful," but the disgrace to the name of civilisation was not the fault of Britain.

Every civilised country was bound to resist an unauthorised and unfiltered rush of immigrants into territory for which it was responsible.

"Failure to resist would be abdication of our duty."

The cause of the evil of illegal immigration was the suffering and helplessness of the displaced persons in the camps in Europe.

Britain could not morally demand that the Arab people alone should accept Jewish immigrants. There would be no reduction of tension until the problem of displaced persons living hopelessly in camps was settled.

Intelligence Poor Lord Altrincham said that the Government was entitled to demand wholehearted cooperation of the Jewish Agency against terrorism. He felt more doubtful about asking for the cooperation of the Jewish population in general, for if the Government could not guarantee them security they would be

cooperating.

The failure of the British Intelligence service, Lord Altrincham said, was conspicuous, and terrorist intelligence seemed to be superior.

The first step in Palestine must be reconciliation and agreement between the peoples and the establishment of a joint Government, Lord Altrincham concluded.

Viscount Samuel, leader of the Liberals in the House of Lords and former High Commissioner in Palestine, said that the terrorists were "fanatics," mostly very young and animated by the abominable doctrine that the end justifies the means.

All sections of Palestine Jews, he said, from the most moderate and law-abiding to the most violent and extreme, supported illegal immigration and approved of it because they declared it was not illegal, and that what was illegal was the Ordinance that prevented it.

U.S. Zionists Blamed It was untrue to say that it was impossible for Arabs and Jews to live together in peace, he said. For eight years there had been no incidents whatever, and no claim was pressed for setting up a Jewish state. Unhappily during the war the American Zionists brought it to the front and they demanded that Palestine should be declared a Jewish Commonwealth or state. They declared also that the inhabitants should all have equal political rights from the start.

Lord Samuel declared an Arab state in Palestine to be impracticable and partition impossible. There should be constituted two communities—a Jewish community and an Arab community, and a third if the Christians so desired.

During the debate, Lord Strabolgi asked the Government to consider Dumfries status, while Lord Lloyd said he could not conceive that anything but a miracle could lead to the fifty members of the United Nations agreeing to the same solution on Palestine.—Reuter.

Troops and police are also liable to be taken and tried as "members of an illegal organisation in the Jewish homeland. Those convicted will be executed on the spot, either by bullet or hanging."

Meanwhile, the High Commissioner, Sir Alan Cunningham, today invited David Ben Gurion, Chairman of the Jewish Agency executive, to Government House "for a talk on the current political situation" in Palestine.

A comparison between the present Palestine situation and the clash between French and British elements in Canada at the time of the rebellion, was drawn today by Lord Strabolgi, President of the Jewish Dominion of Palestine League.

Comparison With Canada Lord Strabolgi was replying to a letter received from Mr. I. Greenberg, in which the latter tendered his resignation from the League because he considered there was no further possibility of a partnership on a Dominion basis between the Jews in Palestine and Britain.

"There was much bitterness in Canada during the rebellion," Lord Strabolgi said. "Yet the French and the British Canadians are living together."

"The mandatory power is bound to attempt to restore order to the country," the Labour Party statement continued, "and though I personally regret the extensions on the principle that the grass grows over the battle-field, but never over the gallows, nevertheless the solution which has been suggested is the only one."

THE HONG KONG JOCKEY CLUB

NOTICE TO MEMBERS

FIFTH EXTRA RACE MEETING

SATURDAY, 26th April, 1947.

The First Race will be rung at 1.30 p.m. and the first race will be run at 2.00 p.m.

Through numbers (8 Races—\$10) may be obtained at the office of the Treasurer, 1st Floor Exchange Building, also tickets for the Special Cash Sweep (\$2,000) on the last race.

MEMBERS' BADGES AND ENCLOSURE. Members are reminded that they and their ladies MUST wear their badges prominently displayed throughout the Meeting.

NO ONE WITHOUT A BADGE WILL BE ADMITTED TO THE MEMBERS' ENCLOSURE. Badges admitting non-members to the Members' Enclosure and Club Rooms at \$10 including tax are obtainable through the Secretary on the written or personal introduction of a Member, such Member to be responsible for all chits, etc.

Badges admitting to Members' Enclosure will NOT be on sale at the RACE COURSE. The Treasurer's Comptroller Office will close at 11 a.m. and the Secretary's Office at 11.45 a.m. Both Offices at 1st floor, Exchange Building.

A limited number of tickets will be obtainable at the Club House, provided they are ordered in advance from the No. 1 Boy (Tel. 27818).

NO CHILDREN WILL BE ADMITTED TO THE CLUB'S PREMISES DURING THE MEETING. PUBLIC ENCLOSURE. The price of admission to the Public Enclosure is \$3 including tax for all persons including ladies, and is payable at the Gate.

Bookmakers, Tic Tac men, etc., will not be permitted to operate within the precincts of The Hong Kong Jockey Club during the Race Meeting.

Refreshments will be obtainable in the Restaurant in the Public Enclosure. SERVANTS' PASSES. Passes for Servants will be issued to Private Box holders ONLY on application to the Secretary, 1st Floor, Exchange Building.

Any persons found loitering with Servants' passes in their possession will forfeit the same and will be removed from the enclosure.

By ORDER
C. B. BROWN,
Secretary.

Biro

THE PERFECT WRITING INSTRUMENT
PATENTS GRANTED OR PENDING

PRICE \$45.00
REFILLS \$ 4.00

Available at

KELLY & WALSH LTD.,
Chater Road, Hong Kong.

G. FALCONER & CO., LTD.
Gloucester Arcade, Hong Kong
and
Star Ferry, Kowloon.

FAT CHEONG

169 Johnston Rd., Wanchai.

Sole Agents:
JARDINE MATHESON & CO. LTD.,
HONG KONG.

Of Beer and Stamina

It's that little
EXTRA
something

That makes the Winner



Good Beer with 'Body,' builds you up.
Now obtainable everywhere,
the Beer with that
little extra
something.

Sole Agents:
GRAY BROTHERS
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Distributors:
KING HING HONG
Tel. 31252.

The perfect hot weather Beer.

TECAIE BEER

CLASSIFIED ADVERTISING

20 WORDS \$2 FOR ONE
INSERTION PREPAID, \$1
FOR EACH ADDITIONAL
INSERTION. ADDITIONAL
WORDS 10 CTS. PER WORD
PER INSERTION

\$2

Replies are awaiting at our
offices for Box Nos. 240, 266, 268,
273, 274, 278, 283.

WANTED KNOWN

VICTORIA Dry-Cleaning & Dye-
ing Co. Over 20 Years Expert
Service. Satisfaction Guaranteed.
Office:—40 Jordan Road, Tel.
56192. Agent:—The Ancient City,
39 Nathan Road, Kowloon.

PREMISES WANTED

ENGLISH COUPLE requires
furnished flat or house, Hong
Kong, would be agreeable to take
for leave duration. Write Box
289, "China Mail."

FOR SALE

UNDERWOOD TYPEWRITER:
\$175. Remington \$150. New
Bicycle \$175. Elegant brand-new
Chesterfield Suite \$425. 280, top,
Prince Edward. (5-730 p.m.)
Phone 57047.

SHIPMASTERS' BINOCULARS:
"ZEISS" (7 X 50), with Anti-
fungal LENS. Excellent Condi-
tion! Cowhide Case! Exception-
ally Cheap! 280, top, Prince
Edward. (5-730 p.m.) Phone
57047.

NEWLY arrived from America &
Australia. Cutlery & Samcups
at special reduced prices. Set of
3 pieces pure Aluminum Samcups
\$10.00. Set of 24 knives,
forks & spoons \$50.00. Apply to
M. HAMMOND & CO., Union
Bldg., 4th floor. Tel. 22277.

POSITION VACANT

STENOGRAPHER: Competent in
English language shorthand typing,
knowledge general office routine.
Application stating age, education,
experience with testimonials and
reference starting salary to Box
No. 280, "CHINA MAIL". Per-
manent with advancement, replies
confidential. Canadian born pre-
ferred.

LAMMERT BROS.

Auctioneers, Surveyors
and Appraisers.
Pedder Building,
Telephone No. 20224.

PUBLIC AUCTION

The undersigned have received
instructions to sell by Public
Auction on

Friday, the 25th, April 1947
commencing at 2.30 P.M.
at their Sales Rooms No. 35
Hankow Road, Kowloon.

A FINE COLLECTION OF
VALUABLE HOUSEHOLD
FURNITURE.
Comprising:—

Chesterfield Couch, Armchairs,
Side Tables, Tea Poy, Book
Cases, Writing Tables, Filing
Cabinet, Wardrobe with Mirror,
Dressing Table with Mirror &
Stool, Chest of drawers, Tall
Boys, Cabin Trunk, Extension
Dining Table with Leaves,
Sideboards with Glass Sliding
Door, Glass Cabinet, Dining
Chairs, Gramophone Records,
Radio Sets, Thermos Bottles,
Aluminium Sauce Pans, Meat
Safe, Kitchen Table, Folding
Camp bed, Double & Single
Bedsteads with Boxspring Mat-
tresses, Wall Mirrors, Knives,
Forks, Glass Ware, E.P.N.S.
Ware, Silver Ware, Cloisonne
Vases, Folding Card Tables,
Push Car, Coal Scuttle, Am-
plifier, Blankets, Radiator,
Tricycles, Carpets, Rugs, Rattan
Armchairs, Tennis Rackets, 1
Looking glass and 1 quantity of
Ladies New Shoes, Etc., Etc.

Also,
1 Steel Filing Cabinet
3 Iron Safes
1 Vacuum Cleaner
1 Norge Refrigerator
1 Underwood Typewriter 10"

On View from Thursday, the
24th April 1947

Terms: As Customary.

LAMMERT BROS.,
Auctioneers.

DENNIS & Co., Ltd.

Sole Agents for:
THE NEW ASIA WHITE-ANY
DRESSING CO.
(Canada)
WHITE-ANY EXTERMINATORS
Holland House (4th Floor)
Tel: 52224 & 52215

Service Auction Rooms

Auctioneers, Surveyors,
and Appraisers.
Pedder Building,
Telephone No. 20224.

GREEN ISLAND CEMENT COMPANY, LIMITED.

NOTICE TO SHAREHOLDERS.

EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN
that an EXTRAORDINARY
GENERAL MEETING of the
Green Island Cement Co., Ltd.,
will be held at its Registered
Office, Exchange Building,
Hong Kong, on Wednesday, the
7th day of May, 1947, at 12.15
p.m. (or as soon thereafter as
the Ordinary Yearly Meeting to
be held at noon on that date
shall have been concluded) for
the purpose of considering and,
if thought fit, passing the sub-
joined Resolution as an Or-
dinary Resolution:—

"That the Capital of the
Company be increased to
\$5,000,000,—by the creation
of Three Hundred and Four
Thousand, Five Hundred
and Six additional new
shares of Ten Dollars each
to be issued at such time
or times and on such terms
and conditions in every re-
spect as the Company's
Board of Directors may
think fit."

By Order of the Board of
Directors.

R. TAYLOR,
MANAGER & SECRETARY.

Dated this 22nd Day of April,
1947.

GREEN ISLAND CEMENT COMPANY, LIMITED.

NOTICE TO SHAREHOLDERS

NOTICE IS HEREBY GIVEN
that the Fifty-Fourth Ordinary
Yearly Meeting of Shareholders
will be held at the Registered
Office of the Company, Ex-
change Building, Des Vaux
Road Central, Victoria, Hong
Kong, on Wednesday, 7th May,
1947, at NOON for the purpose
of receiving the Report of the
Board of Directors, together
with the Statement of Accounts
for the year ended 31st Decem-
ber, 1946, and to elect Directors
and appoint Auditors.

By Order of the Board of
Directors.

R. TAYLOR,
MANAGER & SECRETARY.

Dated this 3rd Day of April,
1947.

THE "STAR" FERRY COMPANY, LIMITED.

NOTICE TO SHAREHOLDERS

Notice is hereby given that
the Forty-fifth Ordinary Yearly
Meeting of the members of this
Company will be held at the
Office of Messrs. Jardine,
Matheson & Co. Ltd., on Monday
the 28th day of April, 1947, at
Noon, to receive the Report of
the Board of Directors and the
Statement of Accounts for the
year ended 31st December,
1946, to elect Directors and to
appoint Auditors.

Notice is also given that the
Transfer Books of the Com-
pany will be closed from the
16th April, 1947, to the 28th
April, 1947, both days inclusive.

By Order of
the Board of Directors,

C. E. TERRY,
Manager & Secretary.

Hong Kong, 8th April, 1947.

MEN'S SUMMER SUITS

Ready-made Summer Suits
cut from a fine Linen and Rayon
mixture are obtainable from
local retailers at the controlled
price of \$49.50 a suit.

Similar suits made to measure
are supplied at the under-
mentioned premises, where a
tailor is in attendance to take
measurements between 2 and 5
p.m. daily. The tailor may also
be sent for by special arrange-
ment.

ALFRED MELBYE,
Sole Distributor,
Room 304, Wang Hong Building,
10, Queen's Road Central,
Telephone No. 38035

Chinese Optical Co.
OPTICIAN
27, QUEEN'S ROAD C.

HONG KONG NOTICE TO MARINERS No. 10 of 1947.

WIRELESS COMMUNICATION

The Japanese Coastal Wire-
less Service is available to all
merchant shipping as from 10th
April, 1947.

1. Messages of the following
types only will be accepted
for transmission:—

(a) E. T. A. of shipping.
(b) Control of shipping and
traffic.

(c) Official shipping informa-
tion.

(d) Navigation or distress
signals from shipping in
accordance with general
radio Regulation (Caro
Revision 1938).

2. Rates for messages between
British Merchant shipping
and a Japanese coastal radio
station will be expressed in
Sterling and are as fol-
lows:—

(a) The land line rate, be-
tween any Japanese Radio
Station and any point in
Japan will be 1.92 pence
per full rate word.

(b) The Japanese Coastal
radio station charge will
be 5.76 pence per full rate
word.

(c) The ship station charge
will be 3.84 pence per full
rate word.

3. Messages originating on
board ship will be prepaid.
Messages originating in
Japan will be sent "Collect".
The word "collect" is to be
inserted in the preamble of
the Message.

4. The accounting of messages
will be the responsibility of
the General Post Office for
the British Government and
the Ministry of Communica-
tions for the Japanese
Government.

Monthly statements of ac-
counts will be submitted
by both agencies through
G.H.Q., S.C.A.P. by
Calendar Month beginning
15th May, 1947.

5. No settlement of accounts
will be made until authorised
by G.H.Q., S.C.A.P.

AUTHORITY: Supreme Com-
mander Allied Powers, Japan.

J. JOLLY,
Harbour Master.

Harbour Department,
Hong Kong, 23rd April, 1947.

NOTICE

The dinner arranged at the
suggestion of the Unofficial
Members of the Executive
Council and Legislative Council
to afford the community an
opportunity to pay a tribute
to His Excellency the Governor,
Sir Mark Young, G.C.M.G. and
Lady Young in view of their
impending departure from the
Colony will be held at the
Hongkong Hotel on Wednesday
7th May 1947 at 8 p.m.

It will be noted that the din-
ner is open to both ladies and
gentlemen.

Any member of the com-
munity who desires to attend
should apply to any one of the
following on or before Monday,
28th April 1947:—

The Hon. Mr. A. Morse, C.B.E.,
Hongkong & Shanghai
Banking Corporation.

The Hon. Dr. S. N. Chau,
China Building.

The Hon. Mr. Leo D'Almada
Castro,
Prince's Building.

Mr. D. Ruttenberg,
Duddell Street.

NOTICE

No further permits for the
import of gold are being grant-
ed, and outstanding permits are
being cancelled.

The public is reminded that
under paragraph 3 of the De-
fence (Finance) Regulations,
every person resident in the
Colony who is or becomes
entitled to sell or procure the
sale of any gold shall offer that
gold, or cause it to be offered,
for sale to the Government at a
price to be determined by
Government.

This power may be invoked in
respect of gold imported after
this date.

C. G. S. FOLLOWS,
Chief of Customs.

Hong Kong, 23rd April, 1947.

RUSSIA BLAMED FOR FOUR POWER TALK'S FAILURE

Moscow, Apr. 23.
The U.S. Secretary of State, General Marshall, bit-
terly blamed Russia for the virtual failure of
the Big Four Foreign Ministers' conference. He
threatened today to take the Austrian treaty
question to the General Assembly of the United
Nations if the deadlock on the issue continues.
In two formal statements at the Big Four meeting,
General Marshall put the blame squarely on
Russia for the the Ministers' failure to conclude
the Austrian treaty and the American-proposed
40-year Allied treaty to enforce disarmament
of Germany.

The BBC And Mr. Wallace

London, Apr. 23.
The BBC had no occa-
sion to consult Govern-
ment before giving radio
time to Mr. Henry Wal-
lace, the Assistant Post-
master-General, Mr. W.
A. Burke, said in the
House of Commons this
afternoon.

"It has been the policy of suc-
cessive governments to afford the
British Broadcasting Corporation
independence in the choice of
their programmes and the mat-
ter of the present Government were
continuing that policy and the
question of consultation about
Mr. Wallace's broadcast, therefore,
did not arise," he added.

Asked by Mr. Leonard Gam-
mans (Cons.) whether he would
offer similar opportunity to any
United States statesman who sup-
ported the domestic and foreign
policy of President Truman's Ad-
ministration and whether Gen-
eral de Gaulle would be allowed
to criticise the French Govern-
ment over the BBC, Mr. Burke
replied that questions as to what
the BBC would do were covered
by the first part of his reply.

He added that President Tru-
man's broadcast on Aid to Greece
was broadcast by the BBC last
night and that the United States
Ambassador's speech at the Pil-
grim Dinner was also broadcast.

Cuxhaven Shaken By Explosion

Hamburg, Apr. 23.
Doctors and ambulances
from the British Army hospital
in Hamburg were rushed 125
kilometres to Cuxhaven before
dawn today after a spate of
wild rumours arising from a
second explosion in Helgoland,
German naval fortress
blown up by the Royal Navy
last week.

An explosion at 9 p.m. local
time yesterday shook houses in
Cuxhaven and Flensburg—
more than 160 kilometres from
Helgoland. The blast and
noise was reported to be
greater than last Friday's blow-
ing-up operation.

The destroyer "Breadale"
steamed from Cuxhaven after
midnight for Helgoland and
preparations were made to re-
ceive casualties. But no one
was found to be hurt and there
was no further damage on the
island.

A naval spokesman said that
the blast was caused by a de-
molition party disposing of an
amount of exploded charges
on the island. The noise ap-
peared greater because it was
a quiet night and there were
low, hanging clouds.—Reuter.

German Zones Bank A/C Opened

Berlin, Apr. 23.
An account of 419,840,000
sterling has been opened with
the Bank of England in the
name of the Joint Export-Im-
port Agency of the British and
American military governments
in Germany to finance the for-
eign exchange side of the
foreign trade of the combined
zones.

An account of \$1,440,000 has
also been opened with the
Federal Reserve Bank in New
York and will be similarly
operated by the joint foreign
exchange branch in Berlin.

Accounts there will also be
opened for the combined zones.

Hong Kong, 23rd April, 1947.

ALL HIS BLOOD IS NEW

Newark, N.J., Apr. 23.
Officials of Columbus Hos-
pital are confident they will
be able soon to release Robert
Jeffers, Jr., the first New Jer-
sey baby to have all the blood
drained from his body and
replaced by transfused blood.
A blood complication known
as the Rh factor (incompati-
bility of the blood streams of
his parents) was discovered
when the baby was born one
month ago. He was first given
a quart transfusion and later
a booster transfusion of a
quarter-pint.—United Press.

He said Russia persisted in
maintaining an impossible po-
sition on the question of Ger-
mans in Austria (the key prob-
lem in the Austrian treaty) and
shattered hope of concluding the
disarmament treaty by seeking
to include in it amendments
nearly every point of the major
dispute on the future of Germany.

General Marshall left the way
open for the Russian Foreign
Minister, Mr. Molotov, to make
some concession on Austria to-
morrow. But in the embittered
and almost hopeless atmosphere
of tonight, it looks as if tomor-
row's meeting would be the final
one of the Moscow conference and
that the Western delegations will
go home with almost nothing ac-
complished because of the wide
East-West split.

"The views expressed by the
Soviet delegation have widened
rather than narrowed our differ-
ences," General Marshall said.

"Unless the Soviet delegation
has some concrete proposal
to make on this subject, which will
make clear that the German ac-
sets do not include assets which
justice and equity should be re-
served to non-Germans, we must
accept the fact that further pro-
gress on the Austrian treaty is
impossible at this conference."—
United Press.

"You Never Know"

After Mr. Molotov had said that
only American refusal to con-
sider the Soviet amendments to
the American draft for a four-
power treaty had blocked pro-
gress, Mr. Bevin intervened with
an appeal to reach an agreement
on this question.

"When anyone tries to build
a bridge between the East and
West, I hope they will not be
thwarted," he said.

BRITAIN ON A GREAT EXPERIMENT

Louisville, Ky., Apr. 23.
Great Britain today is engaged in a very great ex-
periment—trying to strike a balance between
classes and interests—and when balance is
achieved other countries will look to Britain
as they did in the past, Lord Inverchapel, the
British Ambassador, told the English-Speak-
ing Union last night.

"Don't for a moment imagine we are collapsing
economically," the British Ambassador said.
"We've balanced our budget and in a few
years time shall stand before the world erect,
vigorous and resilient, and perhaps even
elegant."

Lord Inverchapel said that in
some circles it was whispered
that Britain had surrendered
some part of her political liberty
because the Government had
nationalised a few basic indus-
tries.

"I should like to dispel that
impression once and for all," he
said.

D.P. Makes Herself Indispensable

Hull, Apr. 23.
Twenty-four-year-old Aino
Keala, who arrived among the
first official party of displaced
persons from Europe in the
"Empire Halberd" at Hull to-
day quickly made herself indis-
pensable as the ship's announ-
cer and is to retain that post.
She is Estonian, speaks five
languages and was formerly a
student at Tallinn. She had
been in Germany since 1944
and was an employment officer
for UNRRA.

This first party of 446 peo-
ple, including 51 women, were
taken to a reception centre on
arrival here today. The men
are principally Estonians, Lat-
vians and Lithuanians and are
all volunteers.

Among the party was a
bride, Regina Krummer, a Lat-
vian, accompanied by her hus-
band and father. She met her
husband while they were work-
ing in Germany and they were
married at the displaced per-
sons' camp.

Many of the women worked
in factories in Germany to
which they were directed by
the Germans during the war.
One 35-year-old Latvian, the
scribe herself, was a member
of the first group of Latvians
to be released from German
concentration camps.

Hong Kong, 23rd April, 1947.

No Extra Clothes For Visitors

London, Apr. 23.
There will be no extra
allowance of clothing
coupons to American
and Canadian visitors to
Britain at present.

This was made clear in the
House of Commons today by
Lord Churley, Government
spokesman, who in reply to a
question, said that arrangements
already existed whereby overseas
visitors could order reasonable
quantities of non-utility rationed
goods for delivery abroad, but
any extension of this arrange-
ment would give a generous al-
lowance of coupons to the visitors
which the Board of Trade did not
think was justified.

Lord Barmby, Conservative
Peer, had asked if Government
would allow visitors from the
hard-currency area to buy cloth-
ing without coupons with their
own currency.—Reuter.

Guerrilla Clash

Madrid, Apr. 23.
In a clash between guerrillas
and Civil Guards assisted by a
machine-gun company and
Moorish troops at Almaden, in
Ciudad Real province, it was
officially reported that Nor-
berto Castillejo Gimenex, Com-
mander of the Second Group,
Guerrilla Centre Army, had
been killed.

Castillejo's aide, Martinez de
la Mada, was also killed and
two guerrillas were wounded.
Castillejo is alleged to have a
long list of acts of violence
against him.—Reuter.

FRIGIDAIRE REFRIGERATORS

The Public are warned that a number of
Frigidaire Refrigerators are being offered
for sale in the Colony by other than the
Authorised Frigidaire Agents. These Frigi-
daire are obtained through unscrupulous
dealers in the States and in most cases have
had their serial numbers removed, thus
making the guarantee null and void. Neither
we nor our Principals will accept any respon-
sibility whatsoever for these units.

DODWELL & Co., LTD.

Authorised Frigidaire Agents

Introducing PANAMERICAN CIGARETTES

ARISTOCRATS OF AMERICA

"There was a general feeling
in my country that too much
economic liberty for some meant
idleness and misery for many
others," the British Ambassador
continued. "The word liberty be-
comes a mockery when it is
preached to a man who has no
work and no prospects of finding
it."

"Of course, in certain circum-
stances, a controlled economy
could easily deprive people of
their liberty. But in Britain to-
day we are engaged in a very
great experiment.

"We are trying to strike a
balance between Government
planning over a wide area of
business life and the claims of
the individual to work at what
he likes, as what he likes, wor-
ship where he likes and go where
he likes."—Associated Press.

San Francisco, Apr. 23.
Henry F. Grady, the new
United States Ambassador to
India, is leaving on May 4 to
take up his new post. At a
press conference today he said
the United States is adopting
a sympathetic policy toward
the Indian fighting independent
government in the interest of
aiding development of a stable
India.—United Press.

San Francisco, Apr. 23.
The "Bad Eagle" arrived
from China on Wednesday
and the "Good Eagle" from
Hawaii on Thursday.

Hong Kong, 23rd April, 1947.

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Hong Kong, 23rd April, 1947.

OPENING
TO-DAY

QUEEN'S

AT 2.30 5.15
7.15 & 9.15 p.m.

THE YEAR'S
GRANDEST
MUSICAL HIT!

Joyous!
Glamorous!
Star-Studded!

Rita HAYWORTH
Victor MATURE

MY GAL SAL

IN TECHNICOLOR!

SHOWING
TO-DAY

KING'S

AT 2.30 5.10
7.15 & 9.15 p.m.

HE'S A SUPER-STUPOR SLEUTH!

Red SKELTON

WHISTLING in Dixie

WITH ANN RUTHERFORD
GEORGE BANCROFT

GUY KIBBEE DIANA LEWIS
PETER WHITNEY

Directed by SYLVAN SIMON
Produced by GEORGE HANLEY

ALSO LATEST METRO-NEWS!

NEXT CHANGE

HEDY LAMARR • ROBERT WALKER • JUNE ALLYSON

"HER HIGHNESS AND THE BELLBOY"

A Metro-Goldwyn-Mayer Picture.

CATHAY To-Day & To-Morrow
AT 2.30, 5.15, 7.15 & 9.15 P.M.

IT'S ERNST LUBITSCH'S SAUCY, SURPRISING STORY
OF GAY GUYS, GAY GALS IN THE GAY '90s!

Ernst Lubitsch's PRODUCTION

HEAVEN

Can WAIT

in Technicolor!

GENE TIERNEY • DON AMECHE

I shall in future trade under the name of:

"INTERNATIONAL FILMS"

HARRY O. ODELL

HOLLAND HOUSE
Room 108

TELS: 21832
21862

When you are ON LEAVE
know what is happening in
Hong Kong!

You cannot leave Hong Kong to-day and on your return expect to find no changes in its economic and social life—events move too quickly.

Keep in touch with these events so that you can return and immediately move with the times. Order the "CHINA MAIL WEEKLY" to-day.

CHINA MAIL WEEKLY

THE NEWSPAPER ENTERPRISE LTD.
HONG KONG

Printed and Published by "THE CHINA MAIL WEEKLY"
at the "CHINA MAIL PRESS"
No. 1, Queen's Road, Hong Kong.

DEPUTATION SEES H.E.

Chinese Income Tax Objections

Governor's Reply: No Changes

The threatened mass parade by Chinese organizations and associations before Government House and the Council Chamber by way of protest against the imposition of income tax in Hong Kong, did not take place as originally planned.

Instead, a deputation of 19 members of the executive committee of the Hong Kong and Kowloon Chinese Anti-Direct Tax Introduction Commission, headed by Mr. Robert Der, called on His Excellency the Governor at 12.45 p.m. in pursuance of an arrangement made by the Secretary for Chinese Affairs.

On arrival at Government House, the party was met by the Hon. Mr. R. R. Todd, Secretary for Chinese Affairs, who conducted the deputation before His Excellency, to whom the following appeal was handed:

"Your Excellency, Two petitions signed by 98 organizations and associations in Hong Kong and Kowloon, appealing for the withdrawal of the Bill on the imposition of Direct Income Tax had been submitted to the Secretary for Chinese Affairs. We expressed, in them, the public opinion of the Chinese residents in the Colony our reasons given for the withdrawal of that Bill may be enumerated as follows:

"(1) For a century, Hong Kong has been exempted from the levying of Direct Income Tax on its citizens, with a fear that the Income Tax may be an impediment to the undertaking of new enterprises, an obstruction to the capitalistic investments of the Chinese and a check to the influx of Chinese immigrants into the Colony on this ground Sir Henry Pollock had expressed his opinion against the imposition of such income tax.

Willing To Pay

"(2) Public opinion should be weighed and considered. Now all the Chinese people join into an organized whole to appeal to Your Excellency for the withdrawal of such bill. These taxes, when levied, will cause much trouble to the people. The undesirable investigation of books and accounts by the tax collectors and the employment of more clerks to keep accounts are some of the inconveniences. Moreover, the Chinese in the Colony are not accustomed to the payment of Direct Taxes.

"(3) Government's 1947 Budget shows a great deficiency to defray its expenditure, yet this is the phenomenon of the temporary nature. It does not require to introduce new taxes to make good for the deficiency. Money can be raised to meet with the Government's demand, yet the Chinese are willing to pay for it and we may suggest some other taxable resources instead of the four Direct Taxes.

"We, the representatives of the Chinese residents in the Colony are now earnestly requesting the favour of Your Excellency to give consent to what we appeal to the Hong Kong Government."



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BOOTS AND HER BUDDIES



IMPORT OF GOLD BANNED

The Financial Secretary issued a notice on April 23 to the effect that no further permits for the import of gold are being granted, and outstanding permits are being cancelled.

The public is reminded that under paragraph 3 of the Defence (Finance) Regulations, every person resident in the Colony who is, or becomes, entitled to sell or procure the sale of any gold shall offer that gold, or cause it to be offered, for sale to the Government at a price to be determined by Government. This power may be invoked in respect of gold imported after this date.

J.T. BAGRAM PASSES

J. T. Bagram, stock broker and the time-honoured Consul for Siam, died as the result of a stroke yesterday in his room at the Hong Kong Hotel. He was 60.

A nephew of the late Sir Paul Chater, Mr. Bagram was for many years a member of the Hong Kong Stock Exchange. He returned to the Colony in December following a recuperative leave after internment at Stanley.

Mr. Bagram acted as honorary secretary of the Hong Kong Horticultural Society for many years and since his return, had worked to reestablish the organization. He leaves a wife now living in Hong Kong.

GENERAL HERE

Lt. Gen. Robertson, commanding British Commonwealth Forces in Japan, is at present in the Colony on his way to England. To-day being Anzac Day, he will lay a wreath on the Cenotaph at 11 a.m.

BRITONS KILLED AT SHOUSON HILL

A Chinese farmer from Aberdeen village testified before No. 5 War Crimes Court yesterday that he had witnessed the killing of three British officers by members of the Tanaka Unit, whose regimental commander, Major-General Tanaka Ryosaburo, is now on trial before the Court for atrocities committed by the troops under his command.

The farmer, Lai Kwong, said that he had witnessed the killing in the grounds of 15 Shouson Hill Road, and was able to read the inscription in Chinese characters on strips of white cloth on the soldiers' tunics when they caught sight of him looking on and beckoned him to come forward.

He came near enough to read the characters "Lien chung" (literally translated into English "field centre," spelling the surname "Tanaka" in Japanese).

He was on his way in search of some Japanese soldiers who had taken away his chicken coop containing some 15 chickens the previous day (Dec. 25, 1941). He was hoping they would return the chicken coop.

He was passing by 15 Shou Son Hill when he saw some 10 Japanese soldiers leading three British officers. He stopped to watch what was going on and saw the Japanese order the captives to put up their hands and then slash away at them with swords.

Thrown In Well

Two of the bodies were buried on the spot after the killing. The following day he was passing the same place when he saw two Japanese dragging a body down the steps leading from the house. They dragged the body to a well by the side of a swimming-pool and threw it in.

Evidence was taken from Lai

and from Major T. N. Cross at Shouson Hill where the Court assembled yesterday morning.

Major Cross testified that at the beginning of the present year he had gone to 15 Shou Son Hill to search for human bones in a well in the grounds of the house. He had recovered almost a complete skeleton as well as clips for 308 British ammunition and the remains of a belt and buckle.

Tanaka In Box

Major-General Tanaka Ryosaburo went into the witness

Spitting Charges

Chun Hung, 40, constructor, charged with spitting at the bus terminus at Star Ferry, and Lo Wui, arrested for the same offence in Shanghai Street, on April 23, failed to appear before Mr. Latimer at Kowloon yesterday and had their bail of \$20 each estreated.

Fung Wing-ki, 24, ferry ticket collector, was fined \$15 by Mr. Blair-Kerr for spitting at the Mong Kok Ferry Wharf on Wednesday. The same fine was imposed on Chau Sang, Tong Yuen, Lai Ying, Lam Chuen, Leung Chai-fuk (female), and Tang Fuk-lin who were arrested in the Shamshuipo district, Hung Man-hing, arrested with the other six, failed to surrender to his bail of \$25.

Arrested at Chung On Street, near the Tsun Wan Market, at 1.30 a.m. on April 23 by Health Inspector Tann Fung-sun, Ho Kau, 25, farmer, was fined \$15 when he pleaded guilty before Mr. Blair-Kerr to the charge of spitting.

Inspector J. Orem prosecuted in all cases before Mr. Blair-Kerr. Nineteen Chinese were caught spitting in the streets in Western District on Wednesday by Health Inspectors.

Before Mr. Sainsbury at Central yesterday, four were fined \$20 each, two—a 53-year-old and a 60-year-old—were cautioned, while three who failed to answer the charge had \$30 bail each estreated.

Fines of \$10 each were imposed by Mr. Blair-Kerr on Liu Fung, Chiu Ting-fai and Mak Wan when they pleaded guilty to the charge of dumping rubbish in Yu Chow Street, Tai Nam Street and Cornwall Road, respectively, on April 23. Inspector J. Orem prosecuted. Lau Choi was fined a similar sum by Mr. Latimer for the same offence at Shanghai Street on the same day.

THIRD TIME

Mr. Garland, Marine Magistrate, took a serious view of excess passenger-carrying yesterday when he imposed a fine of \$300 or two months hard labour on Lo Hung, master of a motor junk, who appeared before a Court for the third time on the same offence. Lo was warned that the offence was a serious one, and he was not to repeat it.

On a further charge of leaving port at night without night clearance, Lo was fined \$100 or one month.

Lo was warned that the offence was a serious one, and he was not to repeat it.

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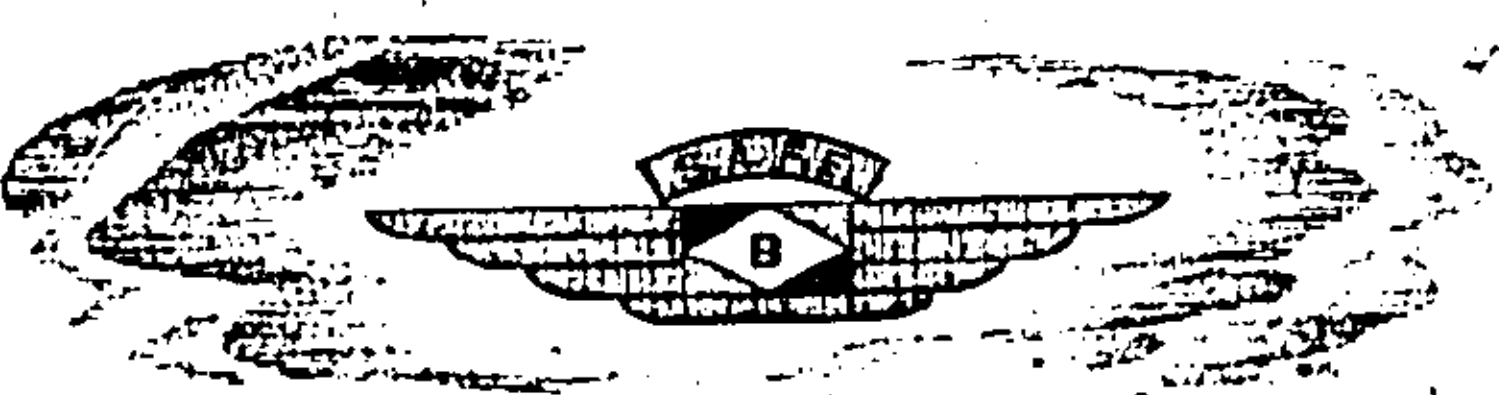
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THE NEW
INCOME TAX

In the revisions of the so-called Income Tax Bill, made on the recommendations of the Morse Committee, an ample slice of concession cake is provided for nearly everybody, and it is a fair assumption that the main dish will, in consequence, be found more readily digestible. Objections in principle, on such grounds as the probable inequity of distribution, lose none of their pertinence, but it can be argued that to establish a system which will ensure that evasion is reduced to a minimum, the first essential is to construct the machinery and set it to work. On the Bill as it now stands, no-one's resources are likely to be strained beyond their capacity. The staggering 25 per cent. standard rate, originally proposed, is down to a modest ten per cent. Those least able to meet direct taxation will find in the increase of the personal allowance to \$7,000 and the allowance for a wife to \$5,000, cause for considerable satisfaction, and as the first \$5,000 of taxable income is to be charged at the rate of only two and a half per cent., and the next \$5,000 at only five per cent., undue hardship complaints would be difficult to support. At the other end of the scale, an even more generous concession has been made. In effect, the double standard rate plan for highly-paid individuals is sabotaged, and any suggestion of a "soak the rich" motif has been quietly eliminated. The maximum any salaried man will pay is ten per cent. on the gross total of his income, however high, without provision for any allowances. This somewhat surprising modification is justified on the ground that the sliding scale included in the Bill would, in some cases, involve a salaried man in payment of a higher effective rate than is chargeable upon corporation and business profits. Put in that form, the submission is legitimate enough, especially as a salary is in every case earned income, whereas profits are not necessarily earned by the recipients. The apparent anomaly might have been approached from the opposite angle, nevertheless, by the inclusion of provisions allowing of greater inroads upon inflated profits, and for ensuring that the holder of large investments, waxing fat and wealthy on unearned income would face an assessment commensurate with his capacity to pay. Companies, in many cases, will display undisguised relief at the proviso in Clause 19 that they may, at their own discretion, elect to be taxed upon profits for 1947-48 instead of on profits for 1946-47. This provision is to be found also in the chapter on salaries tax. Partly, this is to meet the grievance that it is unreasonable to tax the year prior to introduction of the legislation, to tax retrospectively, in other words, though it has no meaning outside the fact that those who feel it advantageous to exercise the option will be assessed this year and next year on their profits or incomes for 1947-48, instead of on successive years. This, again, does not involve double taxation. It is entirely procedural, and beneficial only to those companies whose profits in 1947-48 prove, when their accounts are made up, substantially lower than those in 1946-47. At the Hon. Financial Secretary pointed out in his lucid explanation of the Bill on its First Reading yesterday, most companies have had to set-off their 1946-47 profits against war losses accounts, and if they had the good fortune to get up on the bandwagon when the business boom was at its height, the success was largely compensatory, and there is more justice and validity in assessing taxation upon the results of a more sober year. A further concession approved permits the set-off of the profits arising from any one year against the losses of the next, and the year following.

He said he was "unhappy" about the British decision and believes the time may be "premature."

Asked if he thought Britain's withdrawal would result in civil warfare between Moslem and Hindu, with possible involvement of the rest of the Moslem world, Menzies replied:

"It is greatly to be feared that the answer to both portions of this question will be 'yes.' Every element of goodwill must be exercised by all of us in order to avert so tragic a result. It seems to me that what has been promised may lead to the most serious troubles in India and may therefore put back the clock of Indian progress. But while, for these and many other questions, I am unhappy about the pledge, it has been given and it must be honoured."

British Pledge

The British pledge to withdraw from India by June, 1948.

100 Years
Ago Today

(Excerpts from The China Mail, April 25, 1847.)

"From Canton we hear that two men, said to be members of the party which attacked six Englishmen in Honan Creek, have been sentenced to wear the cage for one month, and also to be flogged. On Friday they were exhibited to the Consular House; and on Saturday they were to be placed on the bridge from which the stones were thrown. Labels on the cages state that they were being punished for having assaulted foreigners."

"We learn that on Thursday morning the steamer 'Firefly' was passing some junk, on her passage from Whampoa, and a row was discharged from one of them which nearly struck Commander Mason of H.M. Steam vessel 'Medea'."

"The accounts brought by the Bandicut relative to the price procured for our Sandal-wood at Hong Kong are very far from being as we had hoped; nevertheless, there are many circumstances to be taken into consideration that may lead us to suppose this trade may yet prove of more value to the colony than we might be disposed to imagine at first sight. From the present discouraging reports of this, our first experiment in the Chinese market."

arising in or derived from the Colony, instead of income arising derived from or received in the Colony. There is, however, sound reasoning behind most of the changes recommended and the House Committee has carried the community's thanks. The Bill remains a highly controversial one, but it is hoped that the new, more equitable, system will be found to be a step forward.

Australia Concerned Over
Future Of India

Sydney, Apr. 23. Right Honourable R.G. Menzies, one-time Prime Minister and now leader of Australia's Federal Opposition, fears independence may bring civil war to India but believes that "in the long run self-government should improve the lot of the average Indian."

In an exclusive statement to the United Press today, the Prime Minister said that "it seems that Russia's political influence in India will increase as a result of the change and that in the long run this political influence may be followed by a considerable degree of economic pressure."

But, he added, "for some years at least I would anticipate that British economic influence and associated will continue to be of first-rate importance. The growth of Soviet influence in India would undoubtedly affect the whole political balance of the Middle East and Southern Asia. But at the same time the independent thought and power of a growing Indian nationalism should not be underestimated."

Australian Labour Party setbacks in two states in recent months have given new prominence to the Liberal Party and to Menzies, its leader.

To Opt Out?

Menzies doubted that an independent India would become a member of the British Commonwealth of Nations. "I most sincerely hope so," he told the United Press, "but current statements are to be accepted. It seems probable that India will seek her future outside the British Commonwealth."

He said he was "unhappy" about the British decision and believes the time may be "premature."

Asked if he thought Britain's withdrawal would result in civil warfare between Moslem and Hindu, with possible involvement of the rest of the Moslem world, Menzies replied:

"It is greatly to be feared that the answer to both portions of this question will be 'yes.' Every element of goodwill must be exercised by all of us in order to avert so tragic a result. It seems to me that what has been promised may lead to the most serious troubles in India and may therefore put back the clock of Indian progress. But while, for these and many other questions, I am unhappy about the pledge, it has been given and it must be honoured."

British Pledge

The British pledge to withdraw from India by June, 1948.

Menzies said, means that "an independent India must inevitably exercise great influence in Burma, Malaya and Indo-China. That this association will involve pressures upon Australia and Australian policy cannot be doubted. When I say this I do not think of 'pressure' necessarily in terms of hostility but simply as movements arising from the development of outlook and policy."

An independent India cannot defend herself, he said, "not at present nor for many years to come. In any event, adequate defence for India must presuppose unity of action between the various Indian elements, including the Princes." As a result, he explained, "the problem of Australia's defence becomes obviously more acute and more difficult as Australia's remoteness from other British countries increases. It would be idle to pretend that exclusion of India and perhaps Burma from the British Commonwealth would not increase Australia's own defence commitments."

Discussing the "White Australia" policy with respect to an independent India, Menzies said: "I believe that Australia should adhere to her 'White Australia' policy as far as it relates to migration into Australia, so that we may avoid racial difficulties which have confronted some other countries. But I agreed with many observers in thinking that a good deal of irritation could be removed from our relations with India by the adoption of broad and sensible practices in regard to, for example, visits by Indian

Spring Collections
Go Fancy

Tricky handbags, belts, hip sashes and flowers of all descriptions are among the necessary and trimming highlights of the Paris dressmakers' spring collections.

Schlaparelli pigeonholes the usual handbag clutter with a telescope-shaped leather purse which hangs on a short, ornate chain. It has four flaps down the front which open into neat cubby-

holes for lipstick, powder and other odds and ends.

Less tidy but more capacious are a huge accordion expanding bag and Molynex's crocodile "suitcase."

The first in red Morocco has straps to hold its expandable bottom at whatever size is most convenient. Its maximum approaches the dimensions of a small duffle bag.

Molynex's creation is the size and shape of a travelling dressing table with gold fittings.

Harness Belt
Leather, lace, taffeta and fur are used for belts and hip aways. Jacques Fath shows a harness belt in beige and dark brown over a gray flannel street dress. It doubles as a handbag with a purse compartment on either side.

Fath uses white lace to match neckline trimming for a wide hip sash on a simple navy blue wool daytime dress.

Tartan taffeta, tied in a huge bow, is given similar treatment on a navy dress by Maggie Rouff. The same designer uses fur as a hip insert and side drape on a black dress.

Real Roses
Real and artificial flowers and jeweled approximations of garden blooms brighten many evening gowns.

Both Fath and Rouff go in for real roses. Fath puts pink, white and

Complex
Marital
Situation

Washington, Apr. 24. The Senate was urged today to provide \$1,000,000 for the speedy re-union of some 3,000 foreign brides and children of members of the U.S. Armed Forces who were married abroad.

This fund is part of the \$2,882,000,000 deficiency appropriation bill which was recommended by the committee. War Department officials said some of these brides and children have been waiting for two years to join their husbands here. Most of them are in the Philippines, but others are scattered around the world.

Industrialisation

Independence is not likely to affect trade between India and Australia and India and the rest of the world, Menzies said. He explained that "the reason for this is to be found in increased Indian industrialisation (with its inevitable demand for Australian capital goods) and a rising standard of living. I do not anticipate that the grant of independence to India will either accelerate or retard this expansion."

He said that inasmuch as the British withdrawal decision had been made, "I am sure that Australian policy must be adjusted to the new circumstances and that we must play our part in encouraging peaceful internal settlement in India and the success of the new experiment in Indian self-government."

Asked as to the effect of the withdrawal on British prestige throughout the Middle East and Orient, Menzies answered: "The realistic view must undoubtedly be that the Middle East and the Orient it will be thought that the British have been 'squeezed out' of India. British prestige may, therefore, suffer except among a few people who will see in the British action the elements of high-mindedness, justice and national recognition."

He concluded: "But I add that complete self-government would be just as feasible and more effective inside the structure of the British Empire."—United Press.

CARNIVAL By Dick Turner



"The difference between the two-dollar dinner and the three-dollar dinner? I don't snort, sir, with the three-dollar dinner!"

REALIGNMENT IN BATTLE
ON CONSCRIPTION

London, Apr. 21. There will be a complete realignment of the rebels against the Government's peacetime conscription proposal when the National Service Bill is again debated in Parliament—probably in a fortnight's time.

The Prime Minister and Cabinet will have a more friendly backing from their own Benches in the House of Commons, but will face an almost totally hostile Opposition. The net effect will be to reduce the chances of a Government defeat which might bring down the Labour Administration.

In the previous debate, 73 Labour Members voted against their own Government on the question of peacetime conscription and service conditions. The Government had the support of the whole of the Conservative Opposition, but even without it, the Government would have had a small majority.

BARCLAY ON BRIDGE

By Shepard Barclay

"The Authority on Authorities"

FORGET THE
VOID SUIT

Having a complete blank in the suit bid by your partner is not necessarily a reason for taking out his later call of a No Trump game into a rebid-able minor suit. If you have any appreciable high card strength in the suit or suits not bid by your side—and you know from your partner's No Trump try that he has something in it or them—you can forget the void suit. There probably will be enough tricks in your own suit and the unbid places to produce a game. The chance is likely to be better seeking nine tricks that way than hoping for the 11 needed in a minor suit.

S. K 9 8 6 5
H. Q 8 5 4
D. 5 2
C. J 3

S. 7 4 2
H. K 7 3 2
D. 4 3
C. 10 6 5 2

S. A. Q. J
H. 10 8
D. K. J. 6
C. K 8 7

S. None
H. A. J. 6
D. A. Q. 10 8 7
C. A. Q. 9 4

(Dealer: South North-South vulnerable.)

South West North East
1. C Pass 1.8 Pass
2. D Pass 2.8 Pass
3. D Pass 3. NT Pass
4. D Pass 4. NT Pass

Tomorrow's Problem

S. K 8 2
H. K 8
D. Q 10 6 4 3
C. Q 9 5

S. K. Q
H. J. 7 6 4
D. A. J. 9
C. K. J. 6

S. J. 7
H. J. 9 6 4
D. 2
C. A. 10 7

S. 10 9 6 4 3
H. A. 10 5 2
D. K 8
C. 9

(Dealer: West North-South)

they still think that Britain's manpower position cannot stand 18 months' period of compulsory service. This section was prepared to resist the 18 months' proposal in the next debate. The reduction has also swung round to the Government side a number of Labour Members of Parliament who actually voted against the Government on the second reading on manpower and economy grounds.

Not Won Over

It has not won over the group of 30, headed by Mr. Rhys Davies, who opposed conscription on the grounds of conscience, or another group led by Mr. Zilliacus, whose objection is political. This section thinks that to approve conscription would be to support the foreign policy which they consider aligned, so far as to provide an advantage to the United States at the expense of British relations with Russia.

The Prime Minister will address the Parliamentary Labour Party of 400 Members of the House of Commons on this subject on Wednesday and will appeal to the Party for unity. In the light of this move, the rebels may go no farther than abstention if there is a vote. Meanwhile, the Conservative "Shadow Cabinet," which will meet this week, will decide its course of action. It is expected to ask the Opposition to resist the Government's curtailment of the service period by voting against it. The original figure of 18 months, it thinks, was settled on the best military advice available and should stand.—Reuter.

"Invidious,"
Says Mr.
McNeil

London, Apr. 24. Minister of State, Hector McNeil says that British opposition to the proposed United Nations supervision of American aid to Greece and Turkey because it is "invidious."

Answering a question in the House of Commons, McNeil said it was invidious—meaning, according to Webster's dictionary, "irritatingly discriminating"—to demand more than in the case of similar aid being given by other powers to other nations in Europe.

McNeil's questioner, E.A. Chamberlain (Labour), asked: "Does Mr. McNeil not feel that this is a really a 'weak argument' and that the British attitude in this matter was fundamentally sound? Furthermore, does he not feel that we have a special opportunity of implementing our policy of supporting the Greek Government?"

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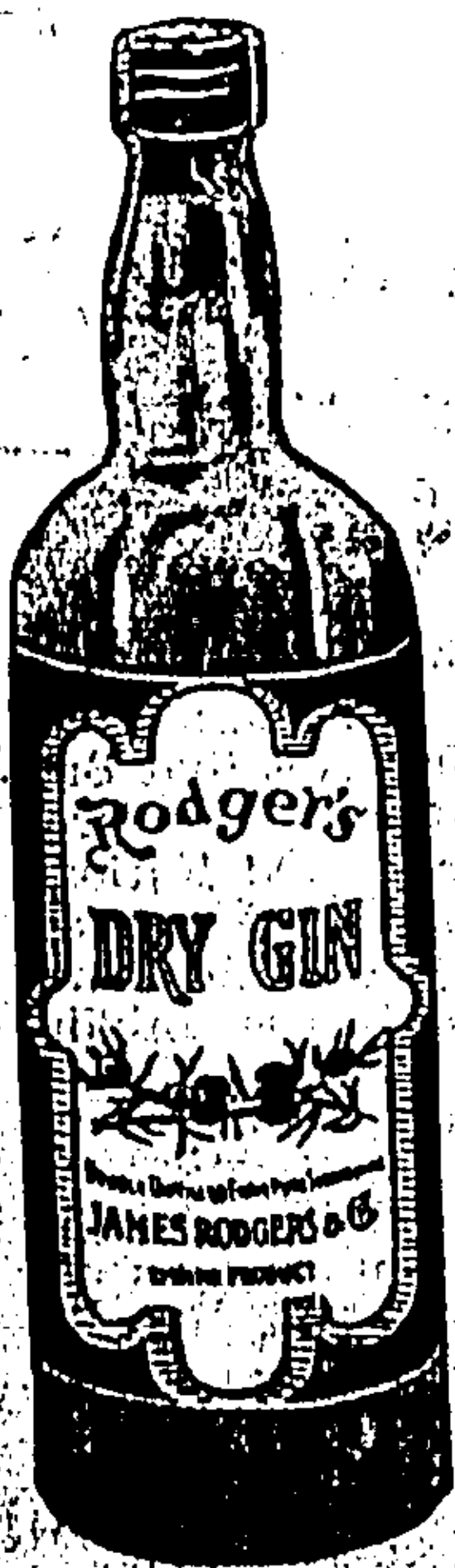
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Humphreys Estate's \$828,225 Profit

Military Requisition Criticised

A net profit of \$828,225.77 for the 16 months period ending Dec. 31, 1946 was reported at the first post-war shareholders annual meeting of Humphreys Estate & Finance Co., Ltd., held at the Hong Kong Hotel yesterday.

War losses were given as \$538,405.50, and the amount was entirely written off by an appropriation of \$338,405.50 from profit and loss account and a transfer of two lakhs from reserve.

The Chairman gave a review of the programme of rehabilitation of the Company's damaged properties and said it might be necessary later in the year to call on further capital of a million dollars.

Criticism was directed at the continued requisition by the Military Authorities of certain properties which should be released for civilian occupation. The situation was termed most unsatisfactory.

The Chairman, Mr. D. E. Clark, said in part:—
"The net profit for the period under review including profits on sale of property and investments, and including \$12,345.67 brought forward from last account amounts to \$828,225.77, which I think in the circumstances may be considered as highly satisfactory."

"War losses at \$538,405.50 may seem somewhat low, but in this connection I would explain that damaged properties sold, and certain properties requisitioned by tenants, are omitted from this figure. As you will have noted from the accounts before you, it is proposed to write off the whole amount by appropriation the sum of \$338,405.50 from profit and loss account and transferring the sum of \$200,000.00 from general reserve."

"In dealing with the amount available for appropriation, your Directors consider it advisable to adopt a conservative policy and have, therefore, recommended that the sum of \$200,000.00 be set aside as provision for possible taxation and contingencies. This policy, I feel sure, will meet with your approval."

Branksome Towers

Work in connection with the reconstruction and modernisation of the block of flats above May Road, known as Branksome Towers, is now well in hand and it is hoped to have them ready for occupation sometime during June. Originally 12 flats, the larger flats are being divided and an additional 6 flats will be available. The cost will be heavy, but in view of the lack of accommodation in the Colony it was decided to put the work in hand. It is hardly necessary for me to add that all flats will be occupied immediately they are ready.

"We have in mind to develop two other sites in the neighbourhood in the near future: the site on which Friton Cottage formerly stood and the old Chater Bank House site, which the Company recently acquired. In regard to the former, accessibility is the big question and unless Government decide to widen Treacher Path for motor traffic it will probably be necessary to postpone this particular scheme to a later date. The proposed development of these properties will require a considerable amount of capital and it will be necessary later in the year to issue the balance of the Company's authorised capital—\$1,000,000."

"We still have certain properties which have been under requisition by the Military Authorities since the Japanese occupation and it is felt strongly that the time has now arrived when these should be released for civilian occupation. The Military Authorities have carried out no maintenance or necessary repair work and the rentals we receive are actually below pre-war figures. From the company's

Certificates

"On January 10th last, shareholders were notified through the medium of the Press and by circular that as the Register of Shareholders of the Company had been lost during the Japanese occupation, they should send to the company for cancellation the certificates for shares in their possession, in exchange for which the Company would issue new certificates with new distinguishing share numbers. There are, however, a considerable number of the old certificates which have not yet been sent in and consequently do not appear in the reconstituted Register. Only those shareholders whose names appear in the new Share Register can receive dividends at the moment, but dividends on the outstanding shares will be paid as and when the old certificates are surrendered to the Company for exchange."

"I do not think there are any other matters to which I can usefully refer. I now beg to propose the following resolutions:—
"That the Report and Statement of Accounts, as presented, be adopted, and that the amount available for appropriation be allocated as follows:—
To pay a Dividend of \$1 per Share \$200,000.00
To transfer to Provision for Taxation and Contingencies 200,000.00
To transfer to Provision for War Losses 338,405.50
To carry forward 29,820.27
\$828,225.77

The motion was seconded by Mr. R. H. Wild and carried unanimously.
On the motion of the Chairman, seconded by Mr. C. Bernard Brown, Messrs. N. O. C. Marsh, M. H. Turner and J. M. Alves were re-elected to the Board. Messrs. Percy Smith & Co. and Messrs. Post Marwick Mitchell & Co. were re-appointed auditors on the proposal of Mr. F. A. Xavier, seconded by Mr. N. O. C. Marsh. The Chairman was Messrs. N. O. C. Marsh, M. H. Turner and J. M. Alves (Chairman) and Mr. J. L. Quile (Secretary). Shareholders present were Messrs. C. Bernard Brown, R. H. Wild and F. A. Xavier.

"Warspite" Refuses To Go To Boneyard

The aging British battleship "Warspite," just like an old soldier who never dies, refused today to go to the boneyard—she went aground instead. En route from Portsmouth to the Clyde on her last journey, the 32,000-ton "Warspite" drifted in a gale away from the two tugs towing her on her last watery mile. She went ashore on the Eastern side of Mount's Bay near Land's End.

From Newlyn Harbour went a Mousale Station lifeboat this morning to check up on "Warspite's" progress after she had been adrift for only partly in the tow of tugs for two days. The boat crew reported back that she had gone fairly aground on Malpas reef and showed no signs of wanting to get off and go north to be broken up for salvage.

The eight men on board her showed they were as stubborn as the battleship herself—they refused to get off her and "come back to shore on the lifeboat."

Taste Of Freedom

"Warspite" tossed and pulled away from one of the two tugs yesterday in a 70-m.p.h. wind, snapping her towlines, and the tugs called for help. Later, the lines were replaced, but "Warspite," with a single taste of freedom and a trip to the junk-heap ahead, would not stay.

A windy gale was sweeping all around the British coast today and coast guards spotted distress signals from a sailing barge off Felstead—United Press.

OFFICER ON TRIAL

Singapore, Apr. 23.

Members of the Anti-Looting Patrol commanded by Major John Burnett, gave evidence today at his resumed trial on a charge of causing the death of a Sikh driver by a "rash act" amounting to culpable homicide. The men testified that they had fired at the Sikh—whose car failed to stop at a road-block when signalled to do so—after they had seen Major Burnett shoot. They declared that they would not have fired if he had not done so first.

Major Burnett, aged 27, who was decorated for service behind the Japanese lines in Burma, completed his evidence on the charge of culpable homicide.

PERSISTENT

Exeter, Apr. 23.
Rupprecht and Haas have done it again—they have escaped for the third time in their four months from their imprisonment of war camp in Devon. Today, Hans Meinel (24), Ludwig Haas, and Rupprecht Reide (31), Army corporal, were missed by guards at Piphoe Camp. The two men made their last escape on April 6. They were then, taken near Tiverton after 56 hours of freedom. Before that they were at large for nearly three months and lived for a time in a cliff cave in bitter winter weather. —Reuter.

Secret Schacht Session

Stuttgart, Apr. 23.

The De-Nazification Court trying Dr. Hjalmar Schacht, Germany's former economic chief, went into brief secret session today because a police official had said that his evidence, if made public, might cause "strained relations with Switzerland."

He had gone to Switzerland in connection with testimony of Dr. Gieseler, author of "Until the Bitter End."

A German manufacturer, Alex. Haffner, declared that he and other conspirators, including Gieseler, used to meet in a private house in Berlin.

At one of these meetings, Dr. Schacht said that Hitler could only be overthrown by a plot against his life.

Shop stewards in his own factory were Nazis, Haffner said, approached him several times concerning Dr. Schacht, saying that he was a traitor, who was sabotaging industry with the intention of destroying the Nazi movement.—Reuter.

Youth Kills Policemen

Philadelphia, Apr. 24.

A 23-year-old youth shot two policemen to death in a street-corner gun battle yesterday. A detective said the youth identified himself as William Kallowell and that he is the adopted son of a North-Western University professor. The youth was taken to hospital with four bullet wounds and was reported to be in a poor condition.

In a telephone interview, Doctor Alfred J. Halliwell, Professor of Anthropology in Chicago, said that he was "too shocked" to discuss the shooting. —Associated Press.

Russian Version Refuted

Berlin, Apr. 23.

The Russian version of an alleged incident involving two Red Army sergeants was refuted tonight in a statement issued by British authorities.

The text of the reply to the Soviet charge—levelled at last night's meeting of the Allied Command—stated that the two Russian sergeants were manhandled and seriously injured in an incident at Spandau (part of the British sector of Berlin) involving, allegedly, British military police, asserts that the Soviet sergeants were arrested following reports of shooting in the Spandau area, connected with threats to two German women living in that area.

The Russians evaded the first attempt at arrest, as they were able to enter the Soviet zone. Later, however, they returned to Spandau and were reported to be asking British military police to prevent this. —Associated Press.

followed they were injured, one sergeant receiving five head wounds, two contused eyes, and cuts to the head and body, and the other receiving wounds and bruises.
After the arrest was effected, the Soviet N.C.O.s were taken to British military hospital, where they refused to be treated. They were later handed over to a Soviet patrol.
Under The Influence
There is evidence that the Soviet sergeants were under the influence of drink. A number of expended cartridge cases and some ammunition similar to that found in possession of the Soviet sergeants after their arrest were discovered near the scene.
The British military police, involved in the incident, and a British sergeant who was shot, are being held in custody.

Failure To Reach Agreement

London, Apr. 23.

The International Wheat Conference adjourned yesterday after failing to reach an agreement on world prices and allocations.

The conference adopted the U.S. proposal to refer back to the International Wheat Council in Washington.

The final action came after the United Kingdom and India (two of the biggest importers) announced that they would not sign a tentative long-term contract which was drafted here. The draft had fixed the maximum price at \$1.80 a bushel.

The conference accepted unanimously the U.S. proposal to send the document to the Council at the earliest possible date and at the same time invite other countries who were not present to join the Council and to participate in future discussions.

Delegates from Argentina (which earlier declined to participate in the price controls) attended the final plenary session as observers.—Associated Press.

Anti-Bandit Drive In Kwangtung

Canton, Apr. 24.

A second batch of about 600 soldiers of the 92nd Brigade is expected to arrive today at Kwongchowwan to join in the suppression of bandits north of that port in Southwest Kwangtung.

The troops were sent here in the mv. "Kwaiwah" on the Canton-Hongkong run, which was commandeered by the military authorities.

The first contingent of about 600 was sent by the mv. "Cheng Hsiang" last week.

In addition to the regulars, about 1,000 provincial guards are participating in the drive.

The military here is bent on annihilating the outlaws in Southwest Kwangtung and near the Kwangsi border.

Their strength is about 2,600.—Associated Press.

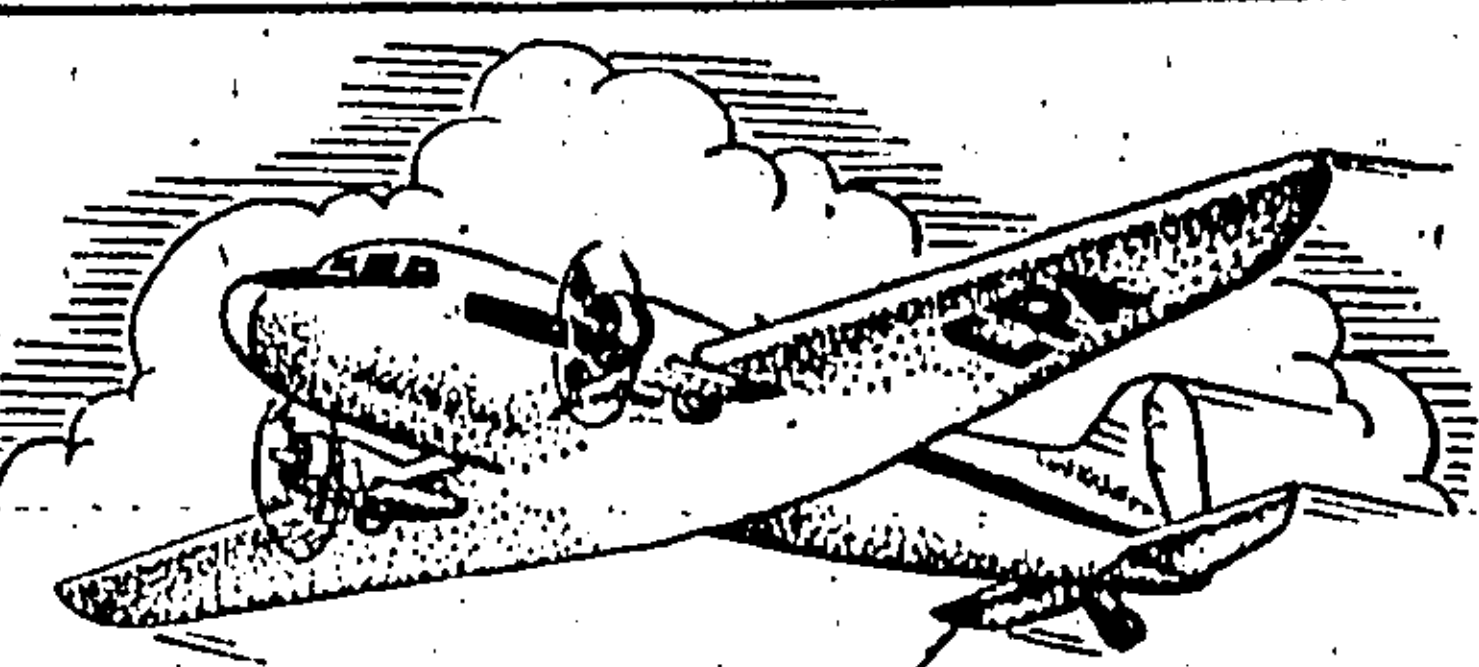
Arab Detained In U.S.

Washington, Apr. 23.

The Arab office here today said that the United States authorities had detained Akram Abdul Rahim, private secretary to the Director of the Arab Office in London and Washington for four days when he arrived in New York early this month.

No explanation was given. Rahim was held at Ellis Island—immigration and customs office—from April 7 to 11, inclusive.

Rahim is now in Washington assisting the Arab Office's Director, Musa Bey Alamy. An Arab Office spokesman denied the reports circulating in the Middle East that Rahim was "under arrest" and had not yet been released.—Reuter.



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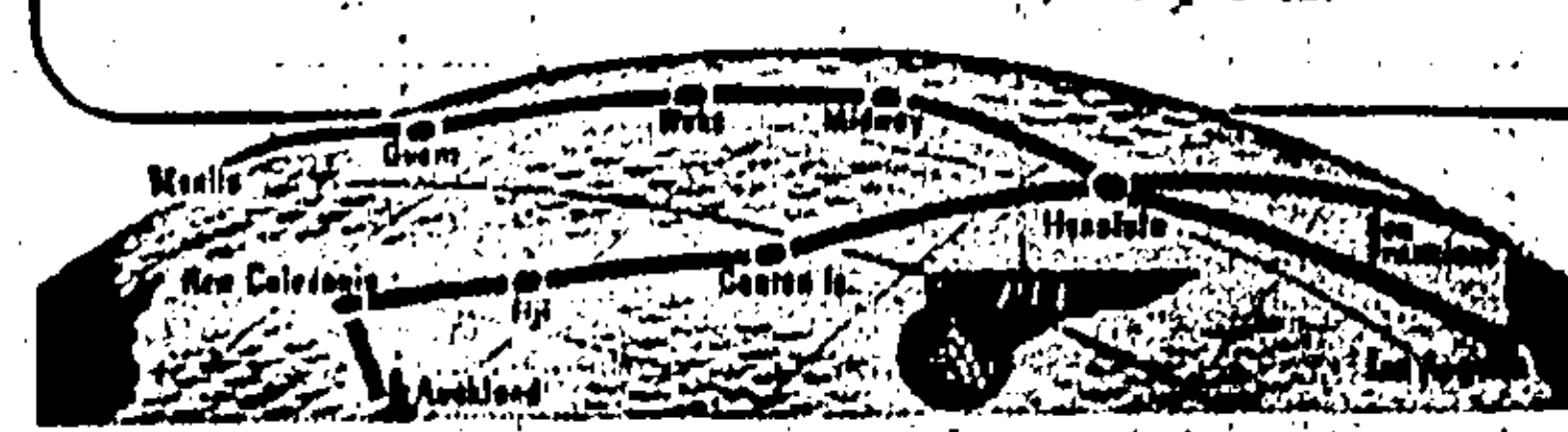
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Calcutta	HK\$350	(DC4)	HK\$3.50
Shanghai	HK\$380	(DC3)	HK\$7.00
	HK\$360		HK\$0.35
Peiping	HK\$700		HK\$3.00
Canton	HK\$35		HK\$2.50
Chungking	HK\$300		HK\$1.80
Foochow	HK\$250		HK\$2.50
Amoy	HK\$180		HK\$1.00
Hankow	HK\$250		HK\$2.00
Hankow	HK\$200		HK\$3.20
Kweilin	HK\$320		HK\$1.20
Nanking	HK\$120		HK\$3.80
Swatow	HK\$80		
Manila	HK\$50		

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